

Amendments to the Specification:

Please insert the following paragraph at line 1 of page 5 of the specification:

After closing, the conditional remainder purchaser has no responsibility for the home unless or until the conditions vest fee simple in the conditional remainder purchaser. The conditional fee purchaser pays all applicable property taxes until the determination date, either individually, or through monthly impound payments. The conditional fee purchaser also pays for hazard and, if applicable, flood insurance on the property.

Please insert the following paragraphs beginning at line 21 of page 9 of the specification:

Obtaining capital for a real estate transaction for real property includes financing a piece of real property and refinancing a note on a piece of real property.

The present invention relates to a conditional fee ownership home financing system (CoFOHFS) and business method. The CoFOHFS method is used to obtain capital for a real estate transaction, which can include either financing the purchase of a piece of real property or refinancing a note on a piece of real property. The method includes executing a conditional fee agreement with regards to obtaining the real property, between a conditional fee purchaser and a conditional remainder purchaser. The conditional fee agreement will include a determination date. The method further includes executing a contract, a sales contract when financing a purchase or a refinancing contract when refinancing a note, between the conditional fee purchaser, the conditional remainder purchaser and either the seller of the real property or the noteholder in the case of a refinance. The method also includes providing payment to the seller or the noteholder and transferring a fee simple interest in the real property to the conditional fee purchaser. The fee simple interest is for a predetermined time, subject to the conditions of the agreement between the conditional fee purchaser and the conditional remainder purchaser.

At pages 9 and 10, please replace the paragraph that begins at line 21 of page 9 and ends at line 7 of page 10 with the following:

~~The present invention relates to a conditional fee ownership home financing system (CoFOHFS) and business method.~~ Under this the CoFOHFS method, a conditional fee simple deed is can be used to acquire interest in residential real property at a significant cost savings over traditional methods of purchasing a home. This system unites individuals who wish to purchase a home but cannot afford, or do not have a down payment for a piece of real property, with third parties who are willing to act as contingent remainder purchasers of the fee simple interests. Once the home purchaser, also known as the conditional fee purchaser, and the ~~third party, or~~ conditional remainder purchaser, reach an agreement with regards to a specific piece of real property, they can negotiate with the seller to reach an agreement with regards to the sales price of the real property.

At page 28, please replace the paragraphs that begin at line 9 and end at line 20 with the following:

~~3. 2-~~ CFP paying to seller \$35,000 (Financed through a financial institution for a length of time no greater than the length of time for the determination date, in this case 5 years).

~~4. 3-~~ CRP paying to seller the remaining \$65,000 of the \$100,000 Fair Market Value (FMV).

~~5. 4-~~ CRP paying all closing costs in the transaction with seller.

~~6. 5-~~ CRP becoming fee simple owner if:

(a) CFP defaults on his obligation to financial institution before the determination date (at which point CRP assumes the liability for CFP's debt to financial institution); or

(b) CFP fails to pay the greater amount of either

- (i) \$110,000 or
- (ii) \$10,000 less than the FMV at the determination date.